

Exhibit B

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Chris Daniel - District Clerk Harris County
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By: Monica Ovalle
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2016-83670 / Court: 281

CAUSE NO.

VIRTUAL COMPUTE CORPORATION	§	IN THE DISTRICT COURT
	§	
	§	
VS.	§	JUDICIAL DISTRICT
	§	
SENTINEL INSURANCE COMPANY, LTD.	§	HARRIS COUNTY, TEXAS

PLAINTIFF'S ORIGINAL PETITION

TO THE HONORABLE JUDGE OF SAID COURT:

COMES NOW, Virtual Compute Corporation ("Virtual Compute"), hereinafter referred to as Plaintiff, complaining of Sentinel Insurance Company, Ltd. ("Sentinel") hereinafter referred to as Defendant, and for cause of action would respectfully show as follows:

DISCOVERY LEVEL

1. It is intended that discovery will be conducted under Level 2 of Rule 190.3 T.R.C.P.

PARTIES

2. Plaintiff, Virtual Compute Corporation is a Texas corporation conducting an data center services and high performance computing business in Harris County, Texas.

3. Defendant, Sentinel Insurance Company is a licensed insurance company conducting business in the State of Texas. Personal service of Citation, together with a copy of this Petition is requested upon Defendant, Sentinel Insurance Company, Ltd. by serving its registered agent, CT Corporation System, 1999 Bryan Street, Suite 900, Dallas, Texas 75201-3136.

VENUE & JURISDICTION

4. Venue is proper in Harris County, Texas pursuant to § 15.032 of TEXAS CIVIL

PRACTICE & REMEDIES CODE, because it is the county in which the loss made the subject of the insurance claim occurred, and in which the beneficiary instituting this suit maintains its principal place of business. Plaintiff's damages claimed herein are within the jurisdictional limits of this Court.

BACKGROUND FACTS

5. In or around January of 2016, Plaintiff experienced a loss by damage to a number of its computer server equipment located at its business premises. The loss was covered by a Spectrum Policy Of Insurance, Policy Number 61 SBA PD5052 SC, issued by Defendant of which Plaintiff was the beneficiary ("Insurance Policy").

6. Plaintiff submitted a claim to Defendant for payment of the loss described above as provided for under the Insurance Policy. Despite demand for payment of the loss, Defendant has failed and refused to pay the Plaintiff for the same, nor has Defendant notified Plaintiff in writing that either the claim, or a part of the claim will be paid, nor that the claim or part of the claim has been denied, and the reasons for denial as is required by the Insurance Policy.

RELIEF REQUESTED

7. Plaintiff seeks only monetary relief of more than \$ 100,000.00 but not more than \$ 200,000.00.

CAUSES OF ACTION

A. Breach of Contract

8. The factual allegations as set forth above are incorporated herein for all purposes as if fully set forth at length.

9. Defendant's conduct constitutes a breach of contract for violations of its duties

and obligations under the Insurance Policy.

10. Plaintiff seeks recovery of all damages arising from Defendant's breaches of the Insurance Policy including actual and consequential damages, as well as attorneys' fees pursuant to TEX.CIV.PRAC.& REM.CODE § 38.001.

B. Violations Of Texas Insurance Code

11. The factual allegations as set forth above are incorporated herein for all purposes as if fully set forth at length.

(i) Unfair Settlement Practices Under § 541.060(a)(2)(A)

12. Defendant has failed to attempt in good faith to effectuate a prompt, fair and equitable settlement of a claim with respect to which Defendant's liability is reasonably clear. Despite demand being made upon the Defendant to pay insurance proceeds under the Insurance Policy, Defendant has failed and refused to pay Plaintiff for the covered loss.

13. Defendant's conduct constitutes a violation of Section 541.060(a)(2)(A) of the Insurance Code for which Plaintiff seeks recovery of its actual damages, attorney's fees, costs of court, as well as penalties and interest allowed by law.

(ii) Unfair Settlement Practices Under § 541.060(a)(4)

14. Defendant has failed, within a reasonable time, to affirm or deny coverage of a claim made under the Insurance Policy. Despite demand being made upon the Defendant to pay insurance proceeds for payment of the loss under the Insurance Policy, Defendant has failed and refused to pay the same.

15. Defendant's conduct constitutes a violation of Section 541.060(a)(4) of the Insurance Code for which Plaintiff seeks recovery of its actual damages, attorney's fees, costs of court, as well

as penalties and interest allowed by law.

C. Violations Of Texas DTPA

16. The factual allegations as set forth above are incorporated herein for all purposes as if fully set forth at length.

17. Defendant's conduct also constitutes a violation of Section 17.50(a)(4) of the DTPA under the "tie-in" provisions for which Plaintiff seeks recovery of its economic damages, multiple damages, attorneys' fees, court costs, and interest allowed by law.

D. Punitive Damages

18. The factual allegations as set forth above are incorporated herein for all purposes as if fully set forth at length. Plaintiff seeks the recovery of additional damages as authorized under TEX.INS.CODE § 541.152 and TEX.BUS.COMM.CODE § 17.50(b) (1) of the DTPA because Defendant's actions or omissions complained of were done knowingly and intentionally, with malice, and because Defendant has acted in bad faith..

ATTORNEY FEES

19. Plaintiff has presented demand for payment of the loss in writing upon Defendant, more than thirty (30) days prior to the filing of this suit and is, therefore, entitled to its reasonable and necessary attorney fees accordance with § 38.001 *et.seq.* of the TEX.CIV.PRAC.& REM.CODE § 38.001. Additionally, Plaintiff is entitled to award of its attorney fees under the relevant provisions of the TEXAS INSURANCE CODE and DTPA.

CONDITIONS PRECEDENT

20. All conditions precedent entitling Plaintiff to recover herein have been performed, have occurred, or have been waived.

WHEREFORE, PREMISES CONSIDERED, Plaintiff, Virtual Compute Corporation prays the Court that Defendant, Sentinel Insurance Company, Ltd. be cited to appear and file answer herein, and on final hearing hereof, Plaintiff have judgment against the Defendant for all relief requested herein including, without limitation, its actual damages, statutory and treble damages, punitive damages, reasonable attorney's fees through trial, conditional awards of attorney fees in the event of appeal, pre-judgment and post-judgment interest, and costs of court. Plaintiff further prays for such other and further relief to which Plaintiff may be entitled at law or in equity. Plaintiff prays for general relief.

Respectfully submitted,

/s/ Ciano Pasta
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